

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF THE PIPE REPLACEMENT	)	CASE NO.
PROGRAM RIDER OF DELTA NATURAL GAS	)	2012-00136
COMPANY, INC.	)	

ORDER

On June 29, 2012, Stand Energy Corporation ("Stand") filed a petition for rehearing of the Commission's June 25, 2012 Order denying its motion for full intervention. For the reasons cited herein, the Commission denies Stand's petition for rehearing.

In its petition for rehearing, Stand argues that the Commission's Order inappropriately and incorrectly states or implies that Stand is a "competitor" of Delta Natural Gas Company, Inc. ("Delta"). Stand states that its Petition is exclusively to correct the misconception that it or any gas marketer or supplier competes at any level in any meaningful way with a regulated gas distribution utility.

The Commission's Order examines the specific statutory and regulatory requirements and limitations on a party seeking intervention. Specifically, KRS 278.040(2) requires that the person seeking intervention has an interest in the rates or service of a utility as those are the only two subjects under the jurisdiction of the Commission. 807 KAR 5:001, Section 3(8) requires that a person demonstrate a special interest in the proceeding which is not otherwise adequately represented or that the intervention is likely to present issues or develop facts that assist the Commission in fully considering the matter without unduly complicating or disrupting the proceedings.

It was within the context of these two provisions that the Commission analyzed Stand's motion to intervene and found that:

Stand does not receive natural gas service from Delta and is not a customer of Delta . . . . Rather, Stand is a competitive supplier of natural gas . . . . With respect to gas service in Kentucky, supplying competitive natural gas is not prohibited or required per se, but may be authorized by the Commission . . . in fact, the Commission has authorized some classes of customers to obtain competitive supplies of natural gas through the transportation programs of local distribution companies (emphasis added).

In an earlier matter, House Joint Resolution 141, which was passed by the Kentucky General Assembly during its 2010 Regular Session, directed the Commission to investigate natural gas retail competition programs.<sup>1</sup> The Commission issued its final report on December 28, 2010 and in the report stated that Stand, who had actively participated in the investigation along with other gas marketers, specifically believed that the current tariffs on file for all the LDCs contain too many barriers to marketers wishing to "compete" within the LDCs' territories and that these barriers should be removed to promote more competition.

The Commission finds that Stand's petition for rehearing is without merit. Stand does not satisfy the standards that it has a special interest in the proceeding which is not otherwise adequately represented in the case, nor is it likely to present issues or develop facts that will assist the Commission in fully considering the matter and that the intervention will not unduly complicate or disrupt the proceedings.

IT IS THEREFORE ORDERED that Stand's petition for rehearing is denied.

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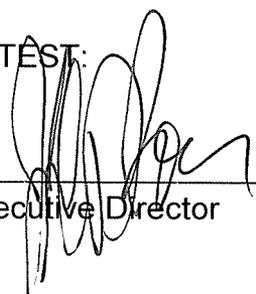
<sup>1</sup> Administrative Case No. 2010-00146, *An Investigation of Natural Gas Retail Competition Programs* (Ky. PSC Dec. 28, 2010).

By the Commission

Commissioner Breathitt is abstaining from this proceeding.

ENTERED   
JUL 17 2012  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
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Executive Director

Case No. 2012-00136

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